(b) Does not arise, in view of (a) above.

(c) Government have been taking several steps from time to time for increasing exports. Some of the important initiatives taken specifically in respect of the textile sector are as under:

(1) The Technology Upgradation Fund Scheme has been made operational with effect from 1-4-1999 to facilitate the modernisation and Upgradation of this sector.

(2) The New Export Entitlement (Quota) Policy for the period 2000—2004 has been announced recently to provide stability and continuity and encouragement competitiveness in textile exports.

(3) Non-Quota Entitlement (NQE) System for encouraging non-quota exports to quota and non-quota countries has been retained to boost exports in apparel sector-value added segment of Indian textiles.

(4) The facility to import goods under Export Promotion Capital Goods (EPCG) Scheme at 5% concessional rate of duty.

(5) Exports of cotton yarn by Export Oriented Unit (EOU)/Export Promotion Zone (EPZ)/EPCG unit has been liberalised.

(6) Zero Duty import of certain categories of trimmings & embellishments has been allowed.

Flexibility quota to Indian Textiles

3521. SHRI RAMACHANDRAIAH RUMANDLA: Will the Minister of TEXTILES be pleased to state:

(a) whether European Union propose to provide flexibility quota to Indian textiles;

(b) if so, the details thereof;

(c) the action proposed to derive maximum benefit out of this flexibility offer; and

(d) the additional export earnings likely to be accrued therefrom?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) to (d) Government have requested European Commission (EC) to grant exceptional flexibilities as per Clause 6 of the India-EU MoU, which was signed in December, 1994. However, the release of exceptional flexibilities from EC are awaited and, therefore, it would be difficult to assess the additionality in exports to be accured therefrom.

Utilisation of Allocated Amount by Karnataka under CWW Scheme

3522. SHRI K.C. KONDAIAH: Will the Minister of TEXTILES be pleased to state:

(a) the amount utilised by the State Government of Karnataka during 1997-98, 1998-99 and 1999-2000 under the Central Weaver's Welfare Scheme;

(b) whether it is a fact that the State Government has not utilised the amount allocated by the Central Government under the above scheme fully; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) Out of Rs. 279.67 lakhs released to the State Government of Karnataka during the years 1997-98 to 1999-2000 under various Welfare Schemes implemented by Government of India, they have utilised a sum of Rs. 72.57 lakhs so far.

(b) to (c) Yes, Sir. The State Government of Karnataka has informed that due to non-release of loan component by the financial institutions/Banks, full amount could not be utilised in time under Workshed- cum-Housing Scheme. As regards the other welfare schemes they have informed that they have utilised the amount fully, however they have not as yet submitted the Utilisation Certificate. The Utilisation Certificate is being collected from the District level and compiled thereafter by the State Government.